

**BEFORE THE FEDERAL ELECTION COMMISSION**

In the Matter of  
Gregorio Cervantes

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MUR 5027

**CONCILIATION AGREEMENT**

This matter was referred to the Federal Election Commission ("Commission") by the Department of Justice. The Commission found reason to believe that Gregorio Cervantes ("Respondent ") knowingly and willfully violated 2 U.S.C. § 441f.

NOW, THEREFORE, the Commission and the Respondent, having participated in informal methods of conciliation, prior to a finding of probable cause to believe, do hereby agree as follows:

I. The Commission has jurisdiction over the Respondent and the subject matter of this proceeding, and this agreement has the effect of an agreement entered pursuant to 2 U.S.C. § 437g(a)(4)(A)(i).

II. Respondent has had a reasonable opportunity to demonstrate that no action should be taken in this matter.

III. Respondent enters voluntarily into this agreement with the Commission.

IV. The pertinent facts in this matter are as follows:

1. Respondent, Gregorio Cervantes, is a person within the meaning of 2 U.S.C. § 431(11).

2. During 1994-1995 Respondent, Gregorio Cervantes, was Customer Service Representative of the Cabazon Band of the Mission Indians ("Tribe") in Riverside County, California.

3. During 1994-1995 Mark Nichols was the Chief Executive Officer of the Tribe. As Chief Executive Officer, Mark Nichols supervised employees of the Tribe, including employees of the Fantasy Springs Casino, which was owned and operated by the Tribe.

4. Beginning in or about October 1994 and continuing through July 27, 1995, Gregorio Cervantes, in concert with Mark Nichols, engaged in a scheme to knowingly and willfully cause the Tribe to circumvent the campaign contribution limits, by using the Tribe's money to make at least 13 conduit contributions, usually in \$1,000 amounts, through Gregorio Cervantes' family members to Clinton/Gore '96 and various candidates for the United States Senate and House of Representatives. Gregorio Cervantes would encourage family members to make contributions to a candidate with the understanding that they would be reimbursed for their contributions by the Tribe. Within a few days of the conduits making the contributions, Mark Nichols would cause the Tribe to issue either a bonus check or a loan to Gregorio Cervantes, who in turn would reimburse the conduit family members.

5. On or about June 17, 1995, Gregorio Cervantes issued a check for \$1,000 to Clinton/Gore '96, and caused Hortencia Cervantes to issue a check for \$1,000 to Clinton/Gore '96. On or about June 19, 1995, Mark Nichols caused the Tribe to issue Gregorio Cervantes a check for \$4,000, a portion of which was to be used to reimburse Gregorio and Hortencia Cervantes for their contributions. On or about June 20, 1995, Gregorio Cervantes deposited \$2,000 into the Cervantes' joint account as reimbursement for their contributions.

6. On or about July 25, 1995, Gregorio Cervantes caused his sister, Beartice Cervantes, to issue a check for \$1,000 to Clinton/Gore '96 Primary. On or about July 26, 1995, Mark Nichols caused the Tribe to issue Gregorio Cervantes a check for \$2,000, of which \$1,000 was intended as reimbursement to Beartice Cervantes for her contribution. On or about July 27, 1995, Gregorio Cervantes deposited \$1,000 in cash into Beartice Cervantes' bank account as reimbursement for her July 25, 1995, \$1,000 contribution to Clinton/Gore '96 Primary, using the proceeds of the Tribe's \$2,000 check given to him by Mark Nichols.

7. Pursuant to 2 U.S.C. § 441f, no person shall make a contribution in the name of another person or knowingly permit his name to be used to effect such a contribution and no person shall knowingly accept a contribution made by one person in the name of another person.

8. The term "contribution" includes any gift, subscription, loan, advance, or deposit of money or anything of value made by any person for the purpose of influencing any election for federal office. 2 U.S.C. § 431(8)(A)(i).

V. Respondent, Gregorio Cervantes, knowingly and willfully violated 2 U.S.C. § 441f by assisting in the making of at least 13 contributions by the Tribe in the names of others to Clinton/Gore '96 and various candidates for the U.S. House of Representatives and U.S. Senate.

VI. Respondent will pay a civil penalty to the Federal Election Commission in the amount of Twenty-six Thousand dollars (\$26,000), pursuant to 2 U.S.C. § 437g(a)(5)(B).

VII. The Commission, on request of anyone filing a complaint under 2 U.S.C. § 437g(a)(1) concerning the matters at issue herein or on its own motion, may review compliance with this agreement. If the Commission believes that this agreement or any requirement thereof has been violated, it may institute a civil action for relief in the United States District Court for the District of Columbia.

VIII. This agreement shall become effective as of the date that all parties hereto have executed same and the Commission has approved the entire agreement.

IX. Respondent shall have no more than 30 days from the date this agreement becomes effective to comply with and implement the requirement contained in this agreement and to so notify the Commission.


X. This Conciliation Agreement constitutes the entire agreement between the parties on the matters raised herein, and no other statement, promise, or

agreement, either written or oral, made by either party or by agents of either party, that is not contained in this written agreement shall be enforceable.

FOR THE COMMISSION:

Lawrence M. Noble  
General Counsel

BY:

  
Lois G. Lerner  
Associate General Counsel

Date

9/5/00

FOR THE RESPONDENT:

  
Gregorio Cervantes

Date

Aug. 3, 2000

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